



Specialty Crop Block Grant Program – Farm  
Bill  
(SCBGP-FB)

Website: [www.ams.usda.gov/scbgp](http://www.ams.usda.gov/scbgp)

Fiscal Year 2009  
CFDA Number 10.170  
Current as of 3/25/09

## TABLE OF CONTENTS

|   |    |
|---|----|
| TABLE OF CONTENTS .....   | 2  |
| I. Program Authority .....  | 3  |
| II. Eligible Entities.....  | 3  |
| III. Eligible Grant Projects .....  | 3  |
| A. Enhance the Competitiveness of U.S. or U.S. Territory Grown Specialty Crops..... | 3  |
| B. Completed Within Three Calendar Years.....                                       | 4  |
| C. Benefit More Than One Product or Organization.....                               | 4  |
| D. Multi-State Partnerships.....  | 4  |
| IV. Administration of Grants.....   | 5  |
| V. Allowable Costs.....   | 5  |
| VI. Restrictions and Limitations on Grant Funds .....                               | 6  |
| VII. Application Procedures and Requirements.....                                   | 7  |
| A. Required Forms .....   | 7  |
| B. Project Duration .....   | 8  |
| C. State plan .....   | 8  |
| D. Budget Narrative .....   | 11 |
| E. Application Checklist.....   | 12 |
| F. Electronic Applications .....  | 12 |
| G. Paper Submissions.....   | 13 |
| VIII. Post-Award Management.....  | 13 |
| Cooperative or Contractual Linkages with Eligible Entities.....                     | 13 |
| Responsibilities of the State department of agriculture .....                       | 14 |
| IX. Reporting Requirements .....  | 17 |
| A. Annual Performance Reports .....   | 17 |
| B. Final Performance Report.....  | 17 |
| C. Final Financial Report.....  | 18 |
| X. AUDIT REQUIREMENTS .....   | 20 |
| XI. GRANT CLOSE OUT CHECKLIST .....   | 20 |
| XII. REQUESTS FOR PAYMENT.....  | 21 |
| XIII. RECORD RETENTION.....   | 21 |
| XIV. SCBGP-FB CONTACTS .....  | 21 |

## **I. Program Authority**

On December 21, 2004, the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) authorized the Department of Agriculture (USDA) to provide grants to State departments of agriculture solely to enhance the competitiveness of specialty crops.

The Food, Conservation, and Energy Act of 2008 (Farm Bill) amended the Specialty Crops Competitiveness Act of 2004 and authorized the USDA to provide grants to States for each of the fiscal years 2008 through 2012 to enhance the competitiveness of specialty crops.

Each State that submits an application that is reviewed and approved by the Agricultural Marketing Service (AMS) is to receive at least an amount that is equal to the higher of \$100,000, or 1/3 of 1 percent of the total amount of funding made available for that fiscal year. In addition, AMS will allocate the remainder of the grant funds based on the value of specialty crop production in each state in relation to the national value of specialty crop production using the latest available cash receipt data.

## **II. Eligible Entities**

State departments of agriculture in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands are eligible to apply for funds. State department of agriculture is defined as the agency, commission, or department of a State government responsible for agriculture within the State.

## **III. Eligible Grant Projects**

[Back to Top](#)

### ***A. Enhance the Competitiveness of U.S. or U.S. Territory Grown Specialty Crops***

To be eligible for a grant, the project(s) must enhance the competitiveness of U.S. or U.S. territory grown specialty crops in either domestic or foreign markets. See the [SCBGP-FB website](#), for a list of eligible specialty crops and ineligible commodities.

AMS encourages states to develop projects solely to enhance the competitiveness of specialty crops pertaining to the following issues affecting the specialty crop industry: increasing child and adult nutrition knowledge and consumption of specialty crops; participation of industry representatives at meetings of international standard setting bodies in which the US government participates; improving efficiency and reducing costs of distribution systems; assisting all entities in the specialty crop distribution chain in developing “Good Agricultural Practices”, “Good Handling Practices”, “Good Manufacturing Practices”, and in cost-share arrangements for funding audits of such systems for small farmers, packers and processors; investing in specialty

crop research, including organic research to focus on conservation and environmental outcomes; enhancing food safety; developing new and improved seed varieties and specialty crops; pest and disease control; and sustainability.

### ***B. Completed Within Three Calendar Years***

Projects must be completed within three calendar years after the grant agreement is signed.

### ***C. Benefit More Than One Product or Organization***

Applications for grant funds should show how the project potentially impacts and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual.

Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution, or individual. Single organizations, institutions, and individuals are encouraged to participate as project partners.

The following are some examples of acceptable and unacceptable projects:

#### Examples of Unacceptable Projects

A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop for the purpose of making a profit, or to expand production of a single business.

A State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.

#### Examples of Acceptable Projects

A State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which can be shared with many growers throughout the State.

A State requests grant funds to help improve and expand domestic farmers markets which benefits a wide array of specialty crop producers.

### ***D. Multi-State Partnerships***

[Back to Top](#)

Multi-state projects are encouraged to provide a growing need for solutions to problems that cross state boundaries such as, but not limited to: addressing good agricultural practices, research on crop productivity or quality, enhancing access to federal nutrition programs, pest and disease management, or commodity-specific projects addressing common issues in multi-state regions. If interested in working with a particular state or states, please contact the Specialty Crop Block

Grant Program –Farm Bill office. Their contact information is listed in Section XIII in this document.

## IV. Administration of Grants

[Back to Top](#)

AMS applies the following federal grant uniform administrative requirements to the management of each grant award, and the State department of agriculture shall in turn apply these requirements to their subgrantees based on the type of organization through their contractual or cooperative linkages. For example, if the State government subawards to a non-profit, the administrative requirements applicable to a non-profit will apply.

- State and Local Governments and Indian Tribal Governments - [7 CFR 3015](#) and [7 CFR 3016](#)
- Colleges and Universities - [7 CFR 3015](#) and [7 CFR 3019](#)
- Non-Profits - [7 CFR 3015](#) and [7 CFR 3019](#)
- For Profits - [7 CFR 3015](#) and [7 CFR 3019](#)

## V. Allowable Costs

[Back to Top](#)

All awards and subawards are subject to those cost principles applicable to the particular organization concerned. For example, if a State government subawards to a university, the cost principles applicable to a university will apply. Please refer to the applicable cost principles when developing your project activities and budget. You may reference [Appendix A List of Selected Items of Cost Contained in OMB Cost Principles Regulations](#) to locate the principles applied in establishing the allowability or unallowability of specific items of cost. All costs must be associated with project activities that enhance the competitiveness of specialty crops.

- State and Local Governments and Indian Tribal Governments - [2 CFR 225 \(OMB Circular A-87\)](#). See [Appendix B Unallowable and Allowable Costs for State Governments](#), for specific unallowable and allowable costs under the SCBGP-FB for State governments.
- Colleges and Universities - [2 CFR 220 \(OMB Circular A-21\)](#).
- Non-Profits - [2 CFR 230 \(OMB Circular A-122\)](#).
- For Profits - [48 CFR Part 31.2](#).

## VI. Restrictions and Limitations on Grant Funds

[Back to Top](#)

- Grant funds shall supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds.
- Grant funds may not be used to fund political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7321-7326).
- Development or participation in lobbying activities pursuant to 31 U.S.C. 1352 including costs of membership in organizations substantially engaged in lobbying are unallowable.
- Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct and indirect charges.

Capital expenditures means expenditures for the acquisition cost of capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in, or excluded from the acquisition cost in accordance with the governmental unit's regular accounting practices.

General purpose equipment means equipment, which is not limited to research, scientific or other technical activities. Examples include office equipment and furnishings, telephone networks, information technology equipment and systems, reproduction and printing equipment, and motor vehicles.

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or \$5000.

- Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5000 or more have the prior approval of AMS.

Special purpose equipment means equipment which is used only for research, scientific, or other technical activities.

- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in Subpart T of 7 CFR 3015.

## VII. Application Procedures and Requirements

[Back to Top](#)

### A. Required Forms

**1. One SF-424, “Application for Federal Assistance”.** This form must have an original signature by an official who has authority to apply for Federal assistance. If the form is submitted through [www.grants.gov](http://www.grants.gov), it does not require an original signature.

[SF-424 Core Form, Word Version](#)

[SF-424 Core Form, PDF Version](#)

[SF-424 Core Form with Instructions](#)

Most information blocks on the required form are either self-explanatory or adequately explained in the instructions. However, the following supplemental instructions associated with specific blocks on form SF-424 should be used for SCBGP-FB applications.

| Block  | Instruction   |
|--|---|
| #1 Type of Submission  | Check Application   |
| #2 Type of Application   | Check New   |
| #4 and #5  | Not applicable  |
| # 8c Organizational DUNS   | Applicant Information-refers to the State agency submitting the application and to the employee responsible for the project. <a href="#">Obtaining a DUNS Number, A Guide for Federal Grant and Cooperative Agreement Applicants.</a> |
| #8d Address  | Enter the State agency street address. P.O. Boxes will not be accepted. Enter a 9-digit zip code.   |
| #10 Name of Federal Agency   | AMS, USDA   |
| #11 Catalog of Federal Domestic Assistance Number                                | Enter 10.170 for the Catalog of Federal Domestic Assistance Number. Title of Program is “Specialty Crop Block Grant Program-Farm Bill”.   |
| #12 Funding Opportunity Number   | Enter the Notice of Funds Availability Docket Number. Title - Specialty Crop Block Grant Program – Farm Bill.   |
| #13  | Not applicable  |
| #15 Descriptive Title of Applicant’s Project                                     | Indicate the title of the project(s). A detailed description of the project is not necessary.   |
| #16a Congressional Districts for Applicant                                       | Enter the Congressional district where your main office is located.   |
| #16b Congressional Districts for Program/Project                                 | Enter the Congressional district where your project is performed. Provide “All” if the projects will be performed in more than one location.  |
| #17 Proposed Project Start Date and End Date                                     | For applications that contain multiple projects, indicate the start date of the earliest project and the end date of the latest project. Your grant period cannot be more than three years in length.                                 |
| #18 Estimated Funding  | Estimated Funding categories include:<br>Federal =Total Specialty Crop Block Grant funds requested  |
| #19 Is Applicant Subject to Review by State Under Executive Order 12372 Process? | To determine if your State plan is subject to review under State Executive order 12372, consult the following website: <a href="http://www.whitehouse.gov/omb/grants/spoc.html">http://www.whitehouse.gov/omb/grants/spoc.html</a> .  |

**2. One SF-424A, “Budget Information – Non Construction Program”** Each project must be included on the SF-424A. You may use one or more forms as needed to include the required information for each project. Make sure to include the title of the project associated with the budget.

Most information blocks on the required form are either self-explanatory or adequately explained in the instructions. However, the following supplemental instructions associated with specific blocks on form SF-424A should be used for SCBGP-FB applications.

| Block   | Instruction  |
|---|--|
| #1a Grant Program                             | Enter SCBGP-FB   |
| #1b CFDA No.                                  | Enter 10.170   |
| #1c Federal                                   | Enter amount of federal funds applied for  |
| # 6 (1) through #6 (4) Grant Program Activity | Enter text that refers to the title of the project   |
| #6 a. through h Object Class Categories       | Enter totals finds for each object class category for each project   |
| #6i Total Direct Charges                      | Sum of #6a through #6h   |
| #6j Indirect Charges                          | Enter the amount of indirect costs. Indirect costs should not exceed 10 percent of any proposed budget. Provide a justification if indirect costs are higher than 10 percent. A cost may not be allocated as an indirect cost if it is incurred for the same purpose under SCBGP-FB as a direct cost and vice versa (personnel/contractual, travel, equipment, supplies, etc.) |
| #6k Totals                                    | Sum of #6i and #6j   |
| #6 (5) Total                                  | Totals each object class category for all projects listed  |
| #7 Program Income                             | Enter the estimated amount of income. Do not add or subtract this amount from the total project amount.  |
| Page 2  | Not applicable   |
| Non-Federal Resources                         | SCBGP-FB does not have a match requirement. If non-federal resources are used on the grant, these resources may, but are not required to be provided on the form.  |

**3. One SF-424B, “Assurances-Non Construction Programs.”** This form must have an original signature by an official who has authority to apply for Federal assistance unless it is submitted through [www.grants.gov](http://www.grants.gov).

## ***B. Project Duration***

Specialty crop block grant funds will be awarded for projects of up to 3 years duration. The grant period start date and end date are determined by the State department of agriculture and indicated on the SF-424 in entry #17. The State department of agriculture shall allow ample time for completion of projects.

## ***C. State plan***

[Back to Top](#)

The style of presentation and length may vary, depending on the nature of the project(s) and the requirements of the State agency submitting the proposal. The acceptable font size for the narrative is 12 pitch and all margins must be 1 inch. See [Appendix C, State Plan Format](#) for further information on how to prepare the State plan.

**Format:** In order to make the State plan easier to review, each project should be outlined together. For example, Project 1 should include a section for project title and abstract, project purpose, potential impact, expected measurable outcomes, work plan, etc. and then project two should include a section for project title and abstract, project purpose, potential impact, etc.

**Cover page and Granting Processes.** This section only needs to be included once at the beginning of the State plan.

- Include the point of contact and lead agency for administering the State plan.

**Outreach to Socially Disadvantaged and Beginning Farmers**

- Provide a description of the affirmative steps taken to conduct outreach to socially disadvantaged farmers and beginning farmers of specialty crops. The description should include:
  - How these groups were identified and the methods used to reach out to them.
  - Identification if an award was made to either a socially disadvantaged farmer or beginning farmer.  
Beginning Farmer or Rancher means an individual or entity who has not operated a farm or ranch for more than 10 years and substantially participates in the operation.  
Socially Disadvantaged Farmer or Rancher means a farmer or rancher who is a member of a socially disadvantaged group. A "Socially Disadvantaged Group" is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.
- If steps were not made to conduct outreach to these groups, provide a justification for why not.

**Competitive Grant Process**

- Provide a description of the affirmative steps taken to conduct a competitive grant process. The description should include:
  - The steps taken to conduct outreach to specialty crop stakeholders to receive and consider public comment to identify their priority needs in enhancing the competitiveness of specialty crops.
  - The methods used to solicit proposals that meet specialty crop stakeholder's needs, including any focus on multi-state projects. State departments of agriculture may also provide a copy of the request for proposals.
  - The process used to review proposals in a fair and equitable manner.
- If a competitive grant process was not used, provide a justification why not.

- **Project Title and Abstract.** Include the title of each project and an abstract of 200 words or less.
- **Project Purpose.**
  - Clearly state the purpose of each project. The purpose should include the specific issue, problem, interest, or need to be addressed and why the project is important and timely.
  - If the project is a state marketing program, describe how the State will ensure that funding is being used to solely enhance the competitiveness of eligible specialty crops.
  - If the project builds on a previous SCBGP or SCBGP-FB project, indicate clearly how the new project compliments previous work.
  - For each project, indicate if the project will be or has been submitted to or funded by another Federal or State grant program.
- **Potential Impact.**
  - Discuss the number of people or operations affected.
  - The intended beneficiaries of each project.
  - The potential economic impact if such data are available and relevant to the project.
- **Expected Measurable Outcomes.**
  - For each project, describe at least one distinct, quantifiable, and measurable outcome that directly and meaningfully supports the projects purpose. The outcome-oriented objective must define an event or condition that is external to the project and that is of direct importance to the intended beneficiaries and/or the public.
  - Provide a timeframe when outcome measures will be achieved. Outcome oriented objectives may be long term that exceed the grant period.
  - Describe how the project outcome will be measured. Describe the plan that will be used to show performance improvements. Include a performance-monitoring plan to describe the process of collecting and analyzing data to meet the outcome-oriented objectives.
- **Work Plan.**
  - For each project, explain briefly the activities that will be performed to accomplish the objectives of the project.
  - Indicate who will do the work of each activity.
- **Budget Narrative.**
  - Provide sufficient information in paragraph format about the budget categories listed on SF-424A for each project to demonstrate that grant funds are being expended on eligible grant activities that meet the purpose of the program.
  - The limit on indirect costs, not to exceed 10 percent, will be published in a Federal Register notice each fiscal year. Provide a justification if indirect costs

exceed 10 percent or exceed that fiscal year's limit as announced in the Federal Register

- See [Appendix D Budget Narrative Format](#) for information on completing the budget narrative.
- **Project Oversight.** Describe the oversight practices that provide sufficient knowledge of grant activities to ensure proper and efficient administration.
- **Project Commitment.** Describe how all grant partners commit to and work toward the goals and outcome measures of the proposed project.
- **Multi-state Projects.** Describe how the States are going to collaborate effectively with related projects. Each state participating in the project should submit the project in their State plan indicating which State is taking the coordinating role and the percent of the budget covered by each State.

## ***D. Budget Narrative***

[Back to Top](#)

For each project, provide sufficient detail about the budget categories listed on [SF-424A, "Budget Information, Non-Construction Programs"](#). All requested budget items/activities should correlate to the purpose/goals of the project and demonstrate that they are reasonable and adequate for the proposed work. Although there is no format for the budget narrative, it should contain the following applicable information. Please see [Appendix D – Budget Narrative Format](#) for further information on preparing the budget narrative.

- **Personnel.** For each project participant, indicate their title, the percent of full time equivalents (FTE), and the corresponding salary for the FTE.
- **Fringe Benefits.** Indicate the rate of fringe benefits for each salary.
- **Travel.** Indicate the destination, purpose of trip, number of people traveling, number of days traveling, total airfare costs if applicable, total ground transportation costs if applicable, total lodging and meals costs if applicable, and total mileage costs for the travel if applicable.
- **Equipment.** Indicate anticipated purchases or rental costs of equipment and its intended use. List separately each item of equipment, its intended use, and its cost. Please see [Section VI Restrictions and Limitations on Grant Funds](#) for further guidance on equipment.
  - Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct and indirect charges.

- Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5000 or more have the prior approval of AMS.
- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in Subpart T of 7 CFR 3015.
- **Supplies.** Provide an itemize list of projected supply expenditures and the dollar amount for each item.
- **Contractual.** Provide a short description of the services each contract covers and the flat rate fee or the total hourly rate. Compensation for individual consultant services should be reasonable and consistent with that paid for similar services in the marketplace. Consultant may not exceed \$130,000 or \$500 per eight-hour day, excluding travel and subsistence costs.
- **Other.** Provide detailed descriptions of other costs such as conferences or meetings, communications, speaker/trainer fees, publication costs, and data collection, and other budgeted costs associated with each project.
- **Indirect costs.** Indicate the percentage of indirect costs. Indirect costs should not exceed 10 percent of any proposed budget. Provide a justification if indirect costs are higher than 10 percent. A cost may not be allocated as an indirect cost if it is incurred for the same purpose under SCBGP-FB as a direct cost and vice versa.
- **Program Income.** If program income will be earned on any project, indicate the nature and source of program income and the estimated amount. For example if registration fees are being collected at a conference as part of the project, indicate the estimated amount of registration fees that will be collected.

## ***E. Application Checklist***

[Back to Top](#)

1. Form SF-424
2. Form SF-424A
3. Form SF-424B
4. State Plan
5. Budget Narrative

## ***F. Electronic Applications***

[Back to Top](#)

AMS encourages applicants to submit SCBGP-FB applications electronically through the central Federal grants web site, [www.grants.gov](http://www.grants.gov) instead of mailing hard copy documents. Original signatures are not needed on the SF-424 and SF-424B when applying through [www.grants.gov](http://www.grants.gov) and applicants are not required to submit any paper documents to AMS. Applicants considering

the electronic application option are strongly urged to familiarize themselves with the Federal grants web site and begin the application process well before the application deadline.

For information on how to apply electronically, please consult [http://www.grants.gov/applicants/get\\_registered.jsp](http://www.grants.gov/applicants/get_registered.jsp). Applicants experiencing problems in electronic preparation or submission of documentation should contact [www.grants.gov](http://www.grants.gov), or the Grants.gov Contact Center at 1-800-518-4726, or [http://www.grants.gov/help/trouble\\_tips.jsp](http://www.grants.gov/help/trouble_tips.jsp) for troubleshooting tips. The hours of operation are Monday-Friday, 7 a.m. to 9 p.m., Eastern Time; and they are closed on Federal Holidays.

## **G. Paper Submissions**

[Back to Top](#)

Applicants submitting hard copy applications should submit one original copy of the application package. Applicants who submit hard copy applications are also encouraged to submit electronic versions of their application directly to AMS via email addressed to [scblockgrants@usda.gov](mailto:scblockgrants@usda.gov) in one of the following formats: Word (\*.doc); or Adobe Acrobat (\*.pdf). Alternatively, a CD may be enclosed with the hard copy application.

Because packages sent to AMS through the United States Postal Service may be damaged or delayed due to security procedures at USDA Washington, D.C. headquarters, the use of express mail or courier services is strongly recommended. Express mail or courier submission should be sent to:

Trista Etzig  
Specialty Crop Block Grant Program  
USDA, Agricultural Marketing Service  
1400 Independence Avenue, SW  
Room 2077 – South  
Washington, DC 20250-0235

AMS will send an email confirmation when applications arrive at the AMS office.

## **VIII. Post-Award Management**

[Back to Top](#)

### ***Cooperative or Contractual Linkages with Eligible Entities***

State departments of agriculture shall assume the lead role in the specialty crop block grant projects, and use cooperative or contractual linkages with other agencies, universities, institutions, and producer, industry or community-based organizations, as appropriate.

State departments of agriculture should ensure through their cooperative or contractual linkages that subgrantees are:

- 1) making adequate progress toward achieving the grant project's goals, objectives, and targets;

- 2) ensuring through the use of clauses in every subgrant that federal grant funds are expended in ways that meet provisions of pertinent statutes, regulations, AMS administrative requirements, and relevant Office of Management and Budget (OMB) circulars (See [Appendix E](#), for applicable statutes, regulations, and policy requirements);
- 3) ensuring subgrantees are aware of the requirements imposed upon them by Federal statute and regulation;
- 4) ensuring that a provision for compliance with retention and access requirements for records is placed in every cost reimbursement subgrant;
- 5) conforming any advances of grant funds to subgrantees substantially to the same standards of timing and amount that apply to cash advances by Federal Agencies; and
- 5) using federal funds responsibly.

## ***Responsibilities of the State department of agriculture***

[Back to Top](#)

Each state departments of agriculture shall adhere to the [Award Terms and Conditions](#) incorporated by reference in the signed grant agreement. By signing the grant agreement, each State department of agriculture is agreeing to:

- Execute all aspects of the grant agreement according to all applicable parts of USDA's Uniform Federal Assistance Regulations ([7 CFR 3015 et seq](#)) or as they may be later revised, and successive published regulations as appropriate.
- Certifies that it or its subgrantees are not disbarred or suspended, proposed for debarment, excluded or disqualified under the nonprocurement common rule, or otherwise declared ineligible from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits (Executive Order 12549, as implemented by 7 CFR Part 3017, Section 3017.510, Participants' responsibilities).
- Certifies that it will provide a drug free workplace (§5151-5610 of the Drug-Free Workplace Act of 1988, as implemented by 7 CFR 3017, Subpart F, Section 3017.600, Purpose).
- Certifies that it has not used or will use Federal funds for lobbying Congress or any Federal agency in connection with the award (§319, Pub. L. No. 101-121 (31 U.S.C. 1352), as implemented by 7CFR Part 3018).
- The results of the grant project(s) may be published by the Federal Agency, the State Agency, or by appropriate subcontractors or subgrantees as mutually agreed.
- No member of Congress or resident commissioner shall be admitted to any share or part of this award or to any benefit to arise therefrom, unless it is made with a corporation for its general benefit.
- Monitor the performance of all project activities, and ensure that the work is completed within the required time frame.

- Ensure that specialty crop block grant funds are used only for activities covered by the approved State plan, and any approved revisions.
- Ensure that grant funds supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds.
- Ensure that all travel expenses follow Federal Travel Regulations (41 CFR Chapters 300-304) unless State travel requirements are in place.
- Ensure that proper accounting procedures are followed in accordance with 7 CFR 3015. Keep up-to-date records on the project and adequately documenting costs. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, and attendance records, contract and subgrant award documents, etc.
- Costs in [Appendix B](#) are unallowable.
- Contact the SCBGP-FB office as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award become known and if favorable developments such as meeting time schedules and objectives sooner or at less cost occur.
- Ensure that proper procurement policies and procedures meet standards specified in 7 CFR 3016.36.
- If interest is earned on grant funds, remit interest earned on advances quarterly to the Federal agency in accordance with 7 CFR Part 3015 and 3016.
- Submit an annual performance report 90 days after the end of the first year of the date of the signed grant agreement and each year until the expiration date of the grant period. If the grant period is one year or less, then only a final performance report is required. A final performance report is also due 90 days following the end date of the grant agreement.
- Keep a separate account of expenditures of the Federal award and submit a final financial status report (form [SF-269A](#) unless there is a program income, in which case the [SF-269](#) is required) 90 days following the expiration date of the grant agreement.
- Conduct a financial audit of the expenditures of all grant funds. If the Single Audit Act applies, the State shall submit the annual audit results to AMS within 30 days after completion of the audit. If the Single Audit Act does not apply, the State shall conduct an audit of all SCBGP-FB funds no later than 60 days after completion of the grant period. The State shall submit to AMS not later than 30 days after completion of the audit, a copy of the audit results.
- Immediately refund to the Federal Agency any balance of unobligated funds.

- Work performed under the SCBGP-FB is subject to inspection and evaluation at any time by officials or AMS, or by any of their duly authorized representatives.
- Prior Approval Requirements

**Change Key Personnel** - When it is necessary to change the program contact for the State Agency for a period of more than 3 months, submit a written request (email is acceptable) to the Federal Agency. Request should contain the new individuals name and contact information.

The following items require a written request, including signature of the Project Coordinator for the State Agency and the Federal Agency before you proceed. The Federal Agency will accept a faxed document or .pdf file with a signature.

**Scope or Objectives** - When it is necessary to modify the scope or objectives of the award, submit a written justification for the change along with the revised scope or objectives of the award to the Federal Agency and signature of the Project Coordinator for the State Agency and the Federal Agency.

If requesting to add a new project, submit a written justification for the change along with a project proposal to include the project title, purpose, potential impact, expected measurable outcomes, work plan, budget narrative, project oversight, and project commitment and signature of the Project Coordinator for the State Agency and the Federal Agency.

**Extension of Grant Agreement** - Where an extension of time is required; the extension(s) must be received in writing no later than 60 days prior to the expiration date of the award. The request from the State Agency program contact must contain the following information:

1. The length of additional time required to complete project objectives and a justification for the extension;
2. A summary of progress to date (status of project timeline and objectives...etc.);
3. An estimate of remaining funds on the scheduled expiration date;
4. A projected timetable to complete the project for which the extension is being requested;
5. Signature of the Program Contact for the State Agency and the Federal Agency.

Note: All awards are limited to 3 years in duration from the date the grant agreement was signed by the State Agency.

**Budget Changes** - Where a modification to the SCBGP-FB approved budget is required, the modification must be approved in writing by the SCBGP if the cumulative amount of such modifications exceeds 20 percent (20%) of the project's total budget as last approved by the SCBGP. A request for a budget change shall include: (a) a description of the change and (b) a justification for the change, (c) the Project Coordinator for the State Agency and the Federal Agency signatures. Note that if the cumulative amount of allowable budget changes is less than 20 percent, prior SCBGP approval is not required.

## IX. Reporting Requirements

[Back to Top](#)

Annual performance reports can be emailed to SCBGP-FB at [Scblockgrants@usda.gov](mailto:Scblockgrants@usda.gov). The final performance report and financial status report should be signed by the appropriate organizational representative and submitted to SCBGP-FB by express mail or courier service.

### ***A. Annual Performance Reports***

[Back to Top](#)

Annual performance reports are required annually 90 days after the end of the first year of the date of the signed grant agreement and each year until the expiration date of the grant period. The annual performance report should be organized under, but not limited to, the following headings for each project:

#### Activities Performed

Briefly summarize activities performed, targets, and/or performance goals achieved during the reporting period for each project. Include favorable or unusual developments. It is encouraged to clearly convey progress toward achieving outcomes by graphing baseline data and showing the progress toward achieving set targets. If targets have already been achieved, amend the outcome measure to a “stretch goal” where the organization is challenged to go beyond what it is already doing. Identify the amended measurable outcome in the performance report.

#### Problems and Delays

Note unexpected delays or impediments for each project. Make sure to review measurable outcomes to determine if targets are realistic and attainable. An objective that is too stringent should be scaled back and identified in the performance report. Keep in mind that targets may slip due to all kinds of factors, such as employee turn-over and bad weather. Include revised work plan timelines.

#### Future Project Plans

Outline work to be performed during the next reporting period for each project.

#### Funding Expended To Date

Comment on the level of grant funds expended to date for each project.

### ***B. Final Performance Report***

A **final performance report** will be required within 90 days following the end date of the grant agreement. The final report will be posted on the SCBGP-FB web site and represents an important vehicle for sharing project findings with Federal and State agencies and the public.

The final report should be organized under, but not limited to, the following headings for each project:

#### Project Summary

An outline of the issue, problem, interest, or need for each project.

#### Project Approach

How the issue or problem was approached via the project.

#### Goals and Outcomes Achieved

How the performance goals and measurable outcomes were achieved for each project(s). If outcome measures were long term, summarize the progress that has been made towards achievement. It is encouraged to clearly convey progress toward achieving outcome measures by graphing baseline data and showing the progress toward achieving set targets.

#### Beneficiaries

Provide a description and quantitative data for the number of people or operations that have benefited from the project's accomplishments, and/or the potential economic impact of each project.

#### Lessons Learned

Lessons learned, results, conclusions, for each project. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving.

#### Contact Person

Contact person for each project with telephone number and email address.

#### Additional Information

Additional information available (e.g. publications, web sites, photographs).

### ***C. Final Financial Report***

[Back to Top](#)

A final **financial status report** submission of [SF-269A, "Financial Status Report \(Short Form\)"](#) or if any of the projects had program income, [SF269 "Financial Status Report \(Long Form\)"](#) is required within 90 days following the grant ending date.

Completed forms are to be signed by the appropriate State official, and the original forms should be submitted to SCBGP-FB by express mail service or courier service.

Most information blocks on the required forms are either self-explanatory or adequately explained in the instructions. However, the following supplemental instructions associated with specific blocks on form SF-269A and SF-269 should be used for SCBGP-FB applications.

| <b>Instructions for completing the SF-269A</b>              |   |
|---|---|
| <b>Block</b>  | <b>Instruction</b>  |
| #1 Federal Agency   | USDA, AMS   |
| #2 Grant Number   | Enter the Agreement number found on the right-hand corner of your Grant Agreement for the grant you are reporting on  |
| #3 Address  | Enter complete address  |
| #4 EIN  | Enter correct Employer ID number  |
| #8d Address   | Enter the State agency street address. P.O. Boxes will not be accepted. Enter a 9-digit zip code.   |
| #6 Final Report   | Select Yes  |
| #7 Basis  | Refers to the State department of agriculture accounting system   |
| #8 Grant Period   | Include the correct beginning date and end date of the grant period   |
| #9 Period Covered by this Report                            | Enter the start date of your grant period and 90 days after your expiration date of your grant period (the date your report is due).  |
| #10a through #10c Transactions                              | Both column II and Column II should be completed  |
| #10b  | Not applicable  |
| #10c Federal Share of Outlays                               | Should equal block 10a  |
| #10d through #10f   | Not applicable  |
| #10g  | Should equal 10c  |
| #10h Total Federal Funds Authorized for this Funding Period | Enter the total amount AMS approved the State department of agriculture to expend over the grant period (this can be found on in section II, A of the cooperative agreement.) |
| #10i Unobligated Balance of Federal Funds                   | Enter the unobligated balance of federal funds (subtract line h from line g)  |
| #11d Total amount   | Enter the total indirect expenses applied to the grant  |
| #13 Certification   | Authorizing official must sign and date the form  |

| <b>Instructions for completing the SF-269</b> |  |
|---|--|
| <b>Block</b>                                  | <b>Instruction</b>   |
| #1 Federal Agency                             | USDA, AMS  |
| #2 Grant Number                               | Enter the Agreement number found on the right-hand corner of your Grant Agreement for the grant you are reporting on |
| #3 Address                                    | Enter complete address   |
| #4 EIN  | Enter correct Employer ID number   |
| #8d Address                                   | Enter the State agency street address. P.O. Boxes will not be accepted. Enter a 9-digit zip code.                    |
| #6 Final Report                               | Select Yes   |
| #7 Basis                                      | Refers to the State department of agriculture accounting system  |
| #8 Grant Period                               | Include the correct beginning date and end date of the grant period  |
| #9 Period Covered by this Report              | Enter the start date of your grant period and 90 days after your   |

|  |   |
|--|---|
|  | expiration date of your grant period (the date your report is due).   |
| #10a through #10j Transactions                               | Both column II and Column II should be completed  |
| #10a Total outlays   | Enter total outlays (expenditures) for grant period   |
| #10b and #10c  | Not applicable  |
| #10d Net Outlays   | Should equal block 10a  |
| #10e through #10i  | Not applicable  |
| #10j Federal Share of Outlays                                | Should equal block 10d  |
| #10k through #10m  | Not applicable  |
| #10n Total Federal Share                                     | Should equal block 10j  |
| #10o Total Federal Funds Authorized for this Funding Period  | Enter the total amount AMS approved the State department of agriculture to expend over the grant period (this can be found on in section II, A of the cooperative agreement.) |
| #10p Unobligated Balance of Federal Funds                    | Enter the unobligated balance of federal funds (subtract line o from line n)  |
| #10q   | Not applicable  |
| #10r Disbursed Program Income Using the Addition Alternative | Enter the amount of program income that was added back to the project   |
| #10s Undisbursed Program Income                              | Enter the amount of program income that has not been added back to the project  |
| #10t Total Program Income Realized                           | Sum of lines #10r and #10s  |
| #11d Total amount  | Enter the total of indirect expenses applied to the grant   |
| #13 Certification  | Authorizing official must sign and date the form  |

## X. AUDIT REQUIREMENTS

[Back to Top](#)

The State is accountable for conducting an annual financial audit of the expenditures of all SCBGP-FB funds. This requirement can be fulfilled by the Single Audit Act or a program-specific audit.

### Single Audit Act

If the Single Audit Act applies, the State shall submit the annual audit results to AMS within 30 days after completion of the audit. See [OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”](#) for guidance on if the Single Audit Act applies.

### Program-Specific Audit

If the Single Audit Act does not apply, the State shall conduct an audit of all SCBGP-FB funds no later than 60 days after the end date of the grant agreement. The State shall submit to AMS not later than 30 days after completion of the audit, a copy of the audit results.

## XI. GRANT CLOSE OUT CHECKLIST

[Back to Top](#)

Due 90 days following the grant ending date:

1. Final Performance Report
2. SF-269A, “Financial Status Report (Short Form)” or if any of the projects had program income, SF269 “Financial Status Report (Long Form)
3. Program-Specific Audit Report if Single Audit Report was not previously submitted on an annual basis

## **XII. REQUESTS FOR PAYMENT**

[Back to Top](#)

Payments of grant funds must be requested by the State agency using [Form SF-270, “Request for Advance or Reimbursement”](#) at least on a quarterly basis. Quarterly cash advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so the funds are available closely as is administratively feasible to the actual disbursements by the State Agency for program costs. Cash advances made by the State Agency to secondary recipient organizations or the State Agency’s field organizations shall conform substantially to the same standards of timing and amount that applies to cash advances by the Federal Agency to the State Agency. Payments will be made electronically to the bank account specified by the State agency. The SF-270 should be signed by the appropriate organizational representative and be submitted to SCBGP-FB by express mail or courier service.

Requests for payment should be scheduled so that all grant funds are obligated (unencumbered) within 90 days after the end of the grant agreement. Any unobligated (unencumbered) balance of cash at the end of this period must immediately be refunded back to the Federal Agency.

## **XIII. RECORD RETENTION**

[Back to Top](#)

In accordance with Federal regulations, grant recipients should retain all records relating to the grant for a period of three years after the final financial status report has received by SCBGP-FB or until final resolution of any audit finding or litigation.

## **XIV. SCBGP-FB CONTACTS**

[Back to Top](#)

For questions, please call:

Trista Etzig  
Telephone (202) 690-4942  
E-mail: [trista.etzig@usda.gov](mailto:trista.etzig@usda.gov)

OR

John Miklozek  
Telephone (202) 720-1403  
E-mail: [john.miklozek@usda.gov](mailto:john.miklozek@usda.gov)

Applications may be sent via express mail to:

Specialty Crop Block Grant Program  
USDA, Agricultural Marketing Service  
1400 Independence Avenue, SW  
Stop 0235  
Room 2077 South Building  
Washington, DC 20250-0235

Email applications to: [Scblockgrants@usda.gov](mailto:Scblockgrants@usda.gov)

DRAFT